2.2 Growth

The analysis of the potential growth-inducing impacts of the proposed project is based on demographic information from 2000 United States Census data, the SCAG 2008 RTP growth forecasts for the Cities of San Juan Capistrano, Dana Point, San Clemente, and County of Orange, and the Orange County Treasurer Tax Collector. This analysis relies on the following assumptions regarding growth:

- Orange County's population will continue to grow through 2050 due to its strategic location on the Pacific Coast and access to growing Asian economies.
- Orange County will attract growth because of its likeliness to have growing commercial and retail business opportunities through 2035.
- SCAG's growth estimates for the County indicate a potential population growth increase approaching 16 percent by 2035 for the study area.

Direct growth-inducing impacts are generally associated with the provision of urban services and the extension of infrastructure to an undeveloped area. The extension of services and facilities to an individual site can reduce development constraints for other nearby areas and can serve to induce further development in the vicinity. Indirect or secondary growth-inducing impacts consist of growth in the area by additional demand for housing, employment, and goods and services associated with population increases caused by, or attached to, new development.

2.2.1 Regulatory Setting

The Council on Environmental Quality (CEQ) regulations, which established the steps necessary to comply with the National Environmental Policy Act of 1969, require evaluation of the potential environmental consequences of all proposed federal activities and programs. This provision includes a requirement to examine indirect consequences, which may occur in areas beyond the immediate influence of a proposed action and at some time in the future. The CEQ regulations, 40 CFR 1508.8, refer to these consequences as secondary impacts. Secondary impacts may include changes in land use, economic vitality, and population density, which are all elements of growth.

The California Environmental Quality Act (CEQA) also requires the analysis of a project's potential to induce growth. CEQA guidelines, Section 15126.2(d), require that environmental documents "...discuss the ways in which the proposed project

could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment..."

2.2.2 Affected Environment

This section describes demographic characteristics of Orange County and the Cities of San Juan Capistrano, Dana Point, and San Clemente.

Orange County has been one of the fastest growing areas in the State of California over the past 40 years. The cities within the study area are built out, and most additional population and employment growth is expected to take place through the natural increase and redevelopment of existing land uses or infill development of vacant parcels. Land uses within the study area are already established, with limited opportunity for a new unplanned large-scale development. The City of San Clemente has approved a development that would consist of a 76-unit senior apartment housing building on El Camino Real south of the southerly project limits. The City of San Clemente has also approved the Marblehead Coastal Development consisting of a 250-acre (ac) site that would include 313 residential units, retail, restaurants, conference, hotel, and theater buildings. This project is located adjacent to the southbound side of I-5 just north of Avenida Pico and south of Avenida Vista Hermosa. Additionally, the City of Dana Point has one major project under development located west of the study area. The Strand at Headlands Project proposes to develop 118 single-family residential units and 68 ac of park area. The project includes a 90-room hotel and spa and a 35,000-square-foot (sf) commercial center. The County of Orange approved (in 2004) the Rancho Mission Viejo Plan that proposes to develop a 22,815 ac property located east of the Cities of Mission Viejo and San Juan Capistrano in unincorporated Orange County. The project (The Ranch Plan) would construct 14,000 dwelling units and 5.2 million sf of retail and business uses on 5,842 gross ac. The plan also includes a golf course on 25 gross ac and 16,942 ac of open space. The widening of State Route 74 (SR-74) from two to four lanes is planned within Planning Area 1 under The Ranch Plan. This project is expected to be phased over a 20- to 25-year period.

The proposed project is premised on certain assumptions, as explained earlier, regarding growth in the study area. Orange County, as well as all of Southern California, has experienced dramatic growth for the last 30 years, and this trend is expected to continue. During the past several decades, the SCAG region, including Orange, Imperial, Riverside, San Bernardino, Los Angeles, and Ventura Counties, has been one of the fastest-growing regions in the nation. Between 1950 and 1970, the

population doubled in size, growing at a rate of 5 percent per year. Between 1980 and 1990, the region's population grew by over 25 percent, to 14.6 million. Between 1990 and 2000, the region's population grew by nearly 15 percent, to 16.5 million (SCAG 2001).

To portray the demographic characteristics in the study area, 2000 Census data and SCAG's adopted 2008 RTP Integrated Growth Forecast were evaluated. Table 2.2-1 shows the 2003 populations; the projected 2010, 2015, and 2035 populations; and the projected percent increase in population between 2003 and 2035 populations for Orange County and the Cities of San Clemente, Dana Point, and San Juan Capistrano.

Table 2.2-1 Population Growth Estimates

City or County	2003	2010	2015	2035 ¹	Percent Change 2003 to 2035
County					
Orange County	2,999,320	3,314,948	3,451,755	3,653,990	21.8
City of San Clemente	63,800	68,999	70,731	74,151	16.2
City of Dana Point	35,860	38,169	38,946	40,393	12.6
City of San Juan Capistrano	35,302	39,201	40,229	41,153	16.6

Source: United States Census Bureau, 2000 Census; SCAG adopted 2008 RTP Integrated Growth Forecast

RTP = Regional Transportation Plan

SCAG = Southern California Association of Governments

According to these population estimates, the population in Orange County was 2,999,320 persons in 2003. SCAG projects that the population in Orange County will increase by 21.8 percent, to 3,653,990 persons, by 2035. The 2003 population in the City of San Clemente was 63,800, in Dana Point was 35,860, and in San Juan Capistrano was 35,302 persons. SCAG projects that the population in San Clemente will increase by 16.2 percent, to 74,151 persons, by 2035. The population in the City of Dana Point is projected to increase by 12.6 percent, to 40,393 persons, by 2035. The population in the City of San Juan Capistrano is projected to increase by 16.6 percent, to 41,153 persons, by 2035. The projected growth shown in Table 2.2-1 includes future projects such as the Rancho Mission Viejo Plan and the Marblehead

According to SCAG's 2008 RTP Integrated Growth Forecast, 2035 is the most recent year for the forecasts by Census Tracts.

Coastal Development. Due to the lack of private vacant land in the study area, there are limited opportunities for large-scale development to occur in the study area.

2.2.3 Environmental Consequences

The environmental consequences of the proposed project for potential direct and indirect impacts to growth are analyzed for Build Alternative <u>4 with Design Option A</u> (Preferred Alternative).

2.2.3.1 Temporary Impacts

Build Alternative 4 with Design Option A (Preferred Alternative)

Build Alternative 4 with Design Option A would not have any temporary direct or indirect impacts on growth-inducing factors since temporary construction does not induce growth.

2.2.3.2 Permanent Impacts

Build Alternative 4 with Design Option A (Preferred Alternative)

Build Alternative 4 with Design Option A would reduce existing and forecast traffic congestion and maximize overall performance within the project limits. Build Alternative 4 with Design Option A would specifically address existing congestion of this part of I-5.

Growth in all three cities and Orange County, as summarized in Table 2.2-1, is forecasted based on land use plans, economic conditions, and other factors. The proposed project would accommodate existing operational and capacity deficiencies as well as planned growth and would not foster growth in excess of what is projected due to the lack of vacant land in the study area. As shown later in Table 2.5-3, in Section 2.5, Traffic and Transportation/Pedestrian and Bicycle Facilities, areas within the project limits would operate at level of service (LOS) ranging from mostly D to F (with three exceptions of LOS C) in 2040. Traffic demand will exceed capacity and speeds will vary greatly, resulting in substantial delays. Thus, there will still be congestion in the future, although the intensity of congestion would be reduced. The proposed project would not be expected to influence the amount, location, and/or distribution of growth in the project cities and the County since no new exit or entrance ramps are proposed and the study area is built out. Due to the fact that very few open areas are available in the close vicinity of the project area, the project will not create new housing or opportunities for capital investment by the public or private sectors.

Although the proposed project would result in changes in land use at the I-5/Avenida Pico interchange, it would not result in direct or indirect changes in economic vitality and population density. Therefore, the proposed project is not considered growth-inducing.

2.2.4 Avoidance, Minimization, and/or Mitigation Measures

It has been determined that the proposed project is not growth-inducing since the potential for unplanned development is limited, given the built-out nature of the study area and entitlement status of existing vacant land. Therefore, no avoidance, minimization, and/or mitigation measures are required.

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